

Testimony of Rhonda Boisvert
Connecticut Association of Residential Care Homes
S.B. No. 108 (RAISED) AN ACT CONCERNING RESIDENTIAL CARE HOMES.
February 23, 2016 Human Services Public Hearing

Hello my name is Rhonda Boisvert, owner of 2 Residential Care homes located in Watertown and Haddam and past president of the Connecticut Association of Residential Care Homes. I am here to on behalf of CARCH to offer testimony in support of Senate Bill 108.

The language this bill seeks to eliminate was brought to this very committee during the last legislative session. After careful thought, discussion and consideration, this committee wisely opted not to pass the bill. CARCH was disappointed when the provision was then removed in a budget implementation bill without the benefit of debate or discussion.

This language undoes legislation carefully crafted by this body in 1997 to recognize and remedy a funding shortfall that affected many residential care homes. The previous language recognized a fair value for a residential care home's building while providing for increased reimbursement for ongoing capital improvements. The language inserted into last year implementer removes the increased reimbursement for capital improvements and has the potential to have a significant negative impact on a large segment of the RCH providers.

RCH's have had their rates frozen for the last two years. If and when this freeze is lifted, this language will have an immediate negative impact on well over half of the residential care homes. These homes have come to rely on the existing fair rent calculation since it was passed nearly twenty years ago. They have been able to replace roofs, install more efficient heating systems, replace windows and perform a variety of needed improvements on their aging buildings and see modest rate increases as a result of this investment. The language we are seeking to remove will eliminate that increase.

The fair rent calculation is a complex and detailed formula that I won't attempt to fully explain in this setting. I urge you to vote for passage of this bill to eliminate the potentially devastating impact it will have on our industry. We are fully aware of the current budgetary climate and are not here seeking to increase spending, only to hold the line and not reduce existing funding. Our industry is nearly fully funded by the State and does not have the ability to cost shift and seek additional reimbursement through other payors. Having endured rate freezes for seven of the last ten years, any reduction in our funding will devastate our providers and destroy the places so many state aided residents call home.